

State: District of Columbia **Filing Company:** NGM Insurance Company
TOI/Sub-TOI: 23.0 Fidelity/23.0000 Fidelity
Product Name: NGM Insurance Company - Fidelity Bonds-Form Filing
Project Name/Number: /

Filing at a Glance

Company: NGM Insurance Company
Product Name: NGM Insurance Company - Fidelity Bonds-Form Filing
State: District of Columbia
TOI: 23.0 Fidelity
Sub-TOI: 23.0000 Fidelity
Filing Type: Form
Date Submitted: 09/01/2015
SERFF Tr Num: NGMC-130227729
SERFF Status: Assigned
State Tr Num:
State Status:
Co Tr Num: DC NGM FIDELITY FORM 12-1-15
Effective Date: 12/01/2015
Requested (New):
Effective Date: 04/01/2016
Requested (Renewal):
Author(s): Nancy Murdough, Nancy Palmisano, Susan Fastenberg, Hollie Carter, zSERFFSupportStaff
zIndustrySupportBGW, Rose Faison, April Edwards, Kelly Palzer
Reviewer(s): Angela King (primary)
Disposition Date:
Disposition Status:
Effective Date (New):
Effective Date (Renewal):

State: District of Columbia **Filing Company:** NGM Insurance Company
TOI/Sub-TOI: 23.0 Fidelity/23.0000 Fidelity
Product Name: NGM Insurance Company - Fidelity Bonds-Form Filing
Project Name/Number: /

General Information

Project Name: Status of Filing in Domicile: Not Filed
Project Number: Domicile Status Comments:
Reference Organization: Reference Number:
Reference Title: Advisory Org. Circular:
Filing Status Changed: 09/02/2015
State Status Changed: Deemer Date:
Created By: April Edwards Submitted By: April Edwards
Corresponding Filing Tracking Number: NGMC-130227873

Filing Description:

Re: NGM Insurance Company - Fidelity Bonds-Form Filing
NGM NAIC No. 311-14788
Company Tracking Number: DC NGM Fidelity Form 12-1-15

NGM Insurance Company (NGM) proposes to adopt the SFAA Crime Protection Policy for Governmental Entities in addition to our previous adoption of SFFA Crime Protection Policy (which did not include governmental entities). We are taking this action countrywide to create a consistent filing throughout the states in which we currently do business and because the SFAA no longer supports the Commercial Crime Policy.

The overall rate level impact is 0.0%. Rates for the Crime Protection Policy remain the same for similar coverage provided previously under the Commercial Crime Policy.

NGM also proposes to adopt all Crime Protection Policy forms filed by the SFAA for use in District of Columbia through filing numbers SFAA-F-285 effective 4/1/12, SFAA-F-293 effective 7/31/13, and SFAA-F-294 effective 1/1/14. NGM is a member of SFAA and the majority of forms portfolio consists of SFAA forms.

In addition, we are filing revised form 68-DC-5366 (10/2015) to replace form 68-DC-5366 (07/2010) that provides similar coverage but removes the mandatory deductible and clarifies bond terms for certain contain conditions. A copy of form 68-DC-5366 (10/2015) is attached in the form schedule.

Please see the companion Rate and Rule filing under SERFF Tracking Number: NGMC-130227873.

Attached in the supporting documentation tab is a form explanatory memorandum and exhibits which explain the filing in more detail.

This filing applies to all New Business policies effective on and after December 1, 2015 and to all Renewal policies on and after April 1, 2016.

Company and Contact

Filing Contact Information

Hollie Carter, State Filing Manager carterh@msagroup.com
4601 Touchton Road East 800-207-0446 [Phone] 07407 [Ext]
Jacksonville, FL 32245

State:	District of Columbia	Filing Company:	NGM Insurance Company
TOI/Sub-TOI:	23.0 Fidelity/23.0000 Fidelity		
Product Name:	NGM Insurance Company - Fidelity Bonds-Form Filing		
Project Name/Number:	/		

Filing Company Information

NGM Insurance Company	CoCode: 14788	State of Domicile: Florida
4601 Touchton Road East	Group Code: 311	Company Type: Property and
PO Box 16000, Suite 3400	Group Name: Main Street America	Casualty
Jacksonville, FL 32245	Group	State ID Number:
(800) 207-0446 ext. 225[Phone]	FEIN Number: 02-0170490	

Filing Fees

Fee Required? No

Retaliatory? No

Fee Explanation:

State:	District of Columbia	Filing Company:	NGM Insurance Company
TOI/Sub-TOI:	23.0 Fidelity/23.0000 Fidelity		
Product Name:	NGM Insurance Company - Fidelity Bonds-Form Filing		
Project Name/Number:	/		

Form Schedule

Item No.	Schedule Item Status	Form Name	Form Number	Edition Date	Form Type	Form Action	Action Specific Data		Readability Score	Attachments
1		Third Party Fidelity Bond	68-DC-5366	10/2015	BND	Replaced	Previous Filing Number:	NGMC-126767664		68-DC-5366 THIRD PARTY BOND.pdf
							Replaced Form Number:	68-DC-5366 (07/2010)		

Form Type Legend:

ABE	Application/Binder/Enrollment	ADV	Advertising
BND	Bond	CER	Certificate
CNR	Canc/NonRen Notice	DEC	Declarations/Schedule
DSC	Disclosure/Notice	END	Endorsement/Amendment/Conditions
ERS	Election/Rejection/Supplemental Applications	OTH	Other

NGM INSURANCE COMPANY

BOND NO. _____

THIRD PARTY FIDELITY BOND

In return for the payment of the agreed premium, and subject to all the terms of this bond, NGM INSURANCE COMPANY (Hereinafter called Company) agrees to provide the coverage as described in this bond.

NAMED INSURED: _____

MAILING ADDRESS: _____

COVERAGE LIMIT: \$ _____

BOND PERIOD

Beginning _____

(12:01 AM Standard Time at your mailing address shown above)

A. COVERAGE

The Company agrees to pay to the Insured the amount of any loss of "Money" or "Other Property" that any "Client" of the Insured shall sustain through the act or acts of larceny or embezzlement committed by the Insured or any "Employee" while performing service for the "Client" at the "Client's" premises up to the Coverage Limit.

In the event that a "Client" shall sustain a loss of "Money" or "Other Property" committed by an "Owner" the Company agrees to pay the amount of the loss to the "Client" in place of the Insured, provided that the "Client" has complied with and satisfied all obligations and duties required of the "Insured" by this bond, and conditioned that any claim subject to this coverage exception must be submitted by the "Client" directly to the Company.

Coverage is subject to all terms, conditions and exceptions described in this bond or any amendments to this bond

State amendment(s) required for this coverage are _____.

B. DEFINITIONS

1. "Employee" means

Any natural person while in the Insured's service and whom the Insured compensates directly by salary, wages or commissions; AND whom the Insured has the right to direct and control while performing services for the Insured; or b. Any natural person employed by an employment contractor while the person is subject to the Insured's direction and control and is performing services for the Insured. : or

c. Any "Owner" while performing services for the Insured.

Employee does not mean any

i. Agent, broker, independent contractor or representative of the same general character; OR

ii. Director or trustee except while performing acts coming within the scope of the usual duties of an "Employee".

2. "Money" means currency, coins and bank notes in current use and having a face value.

3. "Other property" means tangible property, other than "Money" that has an intrinsic value.

4. "Occurrence" means all loss caused by, or involving one or more "Employees", whether the result of a single act or series of acts.

5. "Client" means any person or firm with whom you are under a paid written contract to perform business services on that client's premises

6. "Money Messenger" is defined as any "Employee" who is authorized or permitted to accept and does accept "Money" or "Other Property" from any "Client" for any reason, whenever the "Money" or "Other Property" belongs to or is held by any "Client" and are not owned by or owed to the Insured.

7. "Owner" means any natural person that owns all or part of the Insured.

C. LIMITATION OF THIRD PARTY COVERAGE

NOTWITHSTANDING ANYTHING IN THIS BOND TO THE CONTRARY, the Company shall not be liable for any loss sustained by any "Client", other than a loss caused by the act or acts of larceny or embezzlement as defined by the conduct punishable under the criminal laws of the State within which the act or acts occurred, whether or not the Insured is or may be held legally liable for such loss.

D. GENERAL CONDITIONS

1. **Consolidation - Merger:** If through consolidation, purchase of assets or merger with some other entity; any additional persons become "Employees", this coverage shall apply as long as written notice is provided by the Insured to the Company within Thirty (30) days and an additional premium is paid on a pro rata basis.

2. **Coverage Extensions:** Unless stated otherwise, Company's liability under any coverage extension is part of, not in addition to, the Coverage Limit.

3. **Conditions Precedent to Recovery:** The coverage shall not apply unless the following conditions are met:

a. The act causing the loss must be discovered and reported to the Company within Ninety (90) days from the date of commission thereof; AND

b. The Insured must submit to examination under oath at our request and provide a signed statement of their answers including a detailed, sworn proof of loss within One Hundred Twenty (120) days AND

c. Application must be made for a warrant for the arrest of the "Employee" for the acts of larceny or embezzlement committed by that "Employee", which is the basis for any claim hereunder, and all parties must give all the aid and information in their power to bring the said "Employee" to justice.

NGM INSURANCE COMPANY

BOND NO. _____

THIRD PARTY FIDELITY BOND

4. **Legal Action Against Company:** Insured may not bring any legal action against the Company involving loss:
 - a. Unless Insured has complied with all the terms of this policy; AND
 - b. Until Ninety (90) days after Insured has filed a detailed, sworn proof of loss with Company; AND
 - c. Unless brought within TWO (2) years from the date the loss is discovered.
5. **Loss Covered Under This Insurance and Prior Insurance Issued by Company or Any Affiliate:** If any loss is covered
 - a. Partly by this bond; AND
 - b. Partly by any prior cancelled or terminated bond that Company or any affiliate had issued to Insured or any predecessor in interest and in which the period for discovery has not expired as provided for under these insurances; the most Company will pay is the larger of the amount recoverable under this bond or the prior bond.
6. **Non-Accumulation of Coverage Limit:** Regardless of the number of years this bond remains in force or the number of premiums paid, the Coverage Limit shall not be cumulative from year to year or period to period.
7. **Other Insurance:** This Insurance does not apply to loss recoverable or recovered under other insurance or indemnity. However, if the limit of the other insurance or indemnity is insufficient to cover the entire amount of the loss, this insurance will apply to that part of the loss, other than that falling within any Deductible amount, not recoverable or recovered under the other insurance or indemnity. However, this insurance will not apply to the amount of the loss that is more than or outside the scope of the Coverage Limit as described above.
8. **Limit of Insurance:** The most we will pay for loss in any one "Occurrence" is the Coverage Limit as shown above.
9. **Transfer of Client's Rights of Recovery Against Others to Company:** Insured must facilitate the transfer to Company all "Client's" rights of recovery against any person or organization for any loss "Client" sustained and for which Company has paid or settled. Insured must also do everything necessary to secure those rights and do nothing after loss to impair them.
10. **Cancellation As To Any "Employee":** This Insurance is cancelled as to any "Employee":
 - a. Immediately upon discovery by the Insured or its partners, officers or directors not in collusion with the "Employee" of any dishonest act committed by that "Employee" whether before or after becoming employed by the Insured, OR
 - b. On the date specified in a notice mailed or delivered by the Company to the Insured at the last mailing address known to the Company allowing at least Thirty (30) days after the date of mailing. The mailing of notice to the Insured will be sufficient proof of notice.
11. **Cancellation As To Entire Bond:**
 - a. The Insured may cancel by mailing or delivering written notice to the Company.
 - b. The Company may cancel by mailing or delivering to the Insured written cancellation at least Ten (10) days before the effective date if canceled for non payment of premium; OR Thirty (30) days before the effective date if canceled for another reason. The insurance will expire on the date specified. Proof of mailing shall be sufficient proof of notice.

E. EXCLUSIONS

1. **Company will not pay for the loss caused by:**
 - a. **Governmental Action:** Loss resulting from seizure or destruction of property by order of governmental authority.
 - b. **Indirect Loss:** Loss that is an indirect result of any act or "Occurrence" covered by this insurance including, but not limited to, loss resulting from:
 - i. "Client's" and/or Insured's inability to realize income that would have been realized had there been no loss of "Money" or "Other Property".
 - ii. Payment of damages of any type for which Insured is legally liable.
 - iii. Payment of costs, fees or other expenses "Client" and/or Insured incurs in establishing either the existence or the amount of loss under this insurance.
 - c. **Legal Expenses:** Expenses related to any legal action.
2. **Employee Canceled Under Prior Insurance:** Loss caused by any "Employee" of Insured, or predecessor in interest of Insured, for whom similar prior insurance has been cancelled and not reinstated since the last such cancellation.
3. **Inventory Shortages:** Loss or that part of any loss, the proof of which as to its existence or amount is dependent upon:
 - a. An inventory computation; or
 - b. A profit and loss computation.
4. **"Money Messengers":** Coverage shall not apply to, nor shall the Company be liable for, any loss of "Money" or "Other Property" which any "Client" shall sustain through any fraudulent or dishonest act or acts committed by any "Employee", acting alone or in collusion with others, while that "Employee" is acting as a "Money Messenger".

- F. **Cancellation of Prior Insurance:** By acceptance of this bond Insured gives Company notice canceling prior bond number(s); the cancellation to be effective at the time this policy becomes effective.

Countersigned By: _____

Print Name: _____

Date: _____



NGM Insurance Company

By: *Brian Beggs*
Vice President

State: District of Columbia

TOI/Sub-TOI: 23.0 Fidelity/23.0000 Fidelity

Product Name: NGM Insurance Company - Fidelity Bonds-Form Filing

Project Name/Number: /

Filing Company:

NGM Insurance Company

Supporting Document Schedules

Bypassed - Item:	Readability Certificate
Bypass Reason:	Not Applicable.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Copy of Trust Agreement
Bypass Reason:	Not Applicable.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Consulting Authorization
Bypass Reason:	Not Applicable.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Form Explanatory
Comments:	Please see the attached Form Explanatory.
Attachment(s):	Form Explanatory.pdf
Item Status:	
Status Date:	

Satisfied - Item:	SFAA Forms List
Comments:	Please see the attached SFAA Forms List.
Attachment(s):	SFAA Forms List.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Company Specific Forms List
Comments:	Please see the attached Company Specific Forms List.
Attachment(s):	Company Specific Forms List.pdf
Item Status:	
Status Date:	

State:	District of Columbia	Filing Company:	NGM Insurance Company
TOI/Sub-TOI:	23.0 Fidelity/23.0000 Fidelity		
Product Name:	NGM Insurance Company - Fidelity Bonds-Form Filing		
Project Name/Number:	/		

Satisfied - Item:	Side by Side Exhibit
Comments:	Please see the attached Side by Side Exhibit.
Attachment(s):	68-DC-5366 THIRD PARTY BOND side by side.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Cover Letter
Comments:	Please see the attached Cover Letter.
Attachment(s):	Cover Letter.pdf
Item Status:	
Status Date:	

NGM INSURANCE COMPANY
EXPLANATORY MEMORANDUM
DISTRICT OF COLUMBIA FIDELITY

NGM Insurance Company proposes to adopt all Crime Protection Policy forms filed by the SFAA for use in the state of District of Columbia through filing numbers SFAA-F-285 effective 04/01/12, SFAA-F-293 effective 07/31/13 & SFAA-F-294 effective 01/01/14. NGM is a member of SFAA and the majority of our forms portfolio consists of SFAA forms.

In addition, we are filing the forms listed on the attached sheet for use by NGM Insurance Company effective on December 1, 2015.

1. The endorsement forms are being filed to correspond with our initial use of the Crime Protection Policy.
2. We are withdrawing form 68-DC-5366 (07/2010) approved under department filing # 08-123-10 and substituting form 68-DC-5366 (10/2015). The updated form provides similar coverage but removes the mandatory deductible and clarifies bond terms for certain conditions.

SFAA Forms List

FORM NAME	FORM NUMBER	FORM TYPE
Crime Protection Policy	SP 00 01 04 12	Policy
Crime Protection Policy for Public Entities	SP 00 02 04 12	Policy
Change the Policy from Discovery to Loss Sustained	SE 00 01 04 12	General Endorsement - Crime Protection Policy
Policy Bridge Discovery Replacing Loss Sustained	SE 00 02 03 00	General Endorsement - Crime Protection Policy
Joint Insured	SE 00 03 03 00	General Endorsement - Crime Protection Policy
Joint Loss Payable	SE 00 04 03 00	General Endorsement - Crime Protection Policy
Loss Payable	SE 00 05 03 00	General Endorsement - Crime Protection Policy
Add Blanket Excess Limit of Insurance for Specified Joint Insured	SE 00 06 04 12	General Endorsement - Crime Protection Policy
Add Schedule Excess Limit of Insurance for Specified Employees or Positions	SE 00 07 03 00	General Endorsement - Crime Protection Policy
Schedule Change Excess Limit of Insurance for Specified Employees or Positions	SE 00 08 03 00	General Endorsement - Crime Protection Policy
Amend Definition of Employee to Comply with Labor-Management Disclosure Act of 1959	SE 00 09 03 00	General Endorsement - Crime Protection Policy
Include as Employees Officers and Employees of Federal Reserve Bank Acting as EFTS Agent	SE 00 10 03 00	General Endorsement - Crime Protection Policy
Include Specified Non-Compensated Officers as Employees	SE 00 11 03 00	General Endorsement - Crime Protection Policy
Superintendent or Janitor	SE 00 12 03 00	General Endorsement - Crime Protection Policy
Include the Chair and Members of Specified Committees as Employees	SE 00 13 03 00	General Endorsement - Crime Protection Policy
Include Specified Directors or Trustees on Committees as Employees	SE 00 14 03 00	General Endorsement - Crime Protection Policy
Include Volunteer Workers as Employees	SE 00 15 03 00	General Endorsement - Crime Protection Policy
Include Volunteer Workers Other Than Fund Solicitors as Employees	SE 00 16 03 00	General Endorsement - Crime Protection Policy
Exclude Designated Persons or Classes of Persons as Employees	SE 00 17 03 00	General Endorsement - Crime Protection Policy
Exclude Unauthorized Advances, Require Annual Audit	SE 00 18 03 00	General Endorsement - Crime Protection Policy
Exclude Trading Loss	SE 00 19 03 00	General Endorsement - Crime Protection Policy
Exclude High-Grading Loss	SE 00 20 03 00	General Endorsement - Crime Protection Policy
Rural Utilities Service Joint Insured	SE 00 21 03 00	General Endorsement - Crime Protection Policy
Rural Utilities Service Brorrowing Corporations - Limit Amount of Insurance on Collection Agents	SE 00 22 03 00	General Endorsement - Crime Protection Policy
Rural Utilities Service Regulations	SE 00 23 03 00	General Endorsement - Crime Protection Policy
Banks for Cooperatives and Federal Intermediate Credit Banks	SE 00 24 03 00	General Endorsement - Crime Protection Policy
Credit, Debit or Charge Card Forgery	SE 00 25 03 00	General Endorsement - Crime Protection Policy
Include Personal Accounts of Specified Persons	SE 00 26 03 00	General Endorsement - Crime Protection Policy
Warehouse Receipts Forgery	SE 00 27 03 00	General Endorsement - Crime Protection Policy
Limit Amount of Insurance for Warehouse Receipts Losses	SE 00 28 03 00	General Endorsement - Crime Protection Policy

Exclude Warehouse Receipts Losses	SE 00 29 03 00	General Endorsement - Crime Protection Policy
Policy Change	SE 00 30 03 00	General Endorsement - Crime Protection Policy
Increase Limit of Insurance for Specified Period	SE 00 31 03 00	General Endorsement - Crime Protection Policy
Change Limit for Specified Property Subject to Special Limit of Liability	SE 00 32 03 00	General Endorsement - Crime Protection Policy
Decrease Limit Of Insurance While Premises Not Open for Business	SE 00 33 03 00	General Endorsement - Crime Protection Policy
Reduce Limit of Insurance for Designated Premises, Messengers or Armored Motor Vehicle Companies	SE 00 34 03 00	General Endorsement - Crime Protection Policy
Coindemnity	SE 00 35 03 00	General Endorsement - Crime Protection Policy
Contributing Insurance	SE 00 36 03 00	General Endorsement - Crime Protection Policy
Convert to Schedule Coverage	SE 00 37 03 00	General Endorsement - Crime Protection Policy
Change Schedule Coverage	SE 00 38 03 00	General Endorsement - Crime Protection Policy
Sublimits for Money and Securities	SE 00 39 03 00	General Endorsement - Crime Protection Policy
Amend Territorial Limits	SE 00 40 04 12	General Endorsement - Crime Protection Policy
Include Coverage for Funds Transfer Fraud	SE 00 41 04 12	General Endorsement - Crime Protection Policy
Include Covered Property in Custody of Designated Agents	SE 00 42 07 00	General Endorsement - Crime Protection Policy
Include Guests' Property Accepted for Safekeeping	SE 00 43 04 12	General Endorsement - Crime Protection Policy
Include Leased Workers as Employees	SE 00 44 04 12	General Endorsement - Crime Protection Policy
Include Retroactive Date for an Entity Acquired Through Consolidation or Merger	SE 00 45 03 00	General Endorsement - Crime Protection Policy
Include Retroactive Date for Specified Joint Insured	SE 00 46 03 00	General Endorsement - Crime Protection Policy
Include Retroactive Date for Named Insured	SE 00 47 03 00	General Endorsement - Crime Protection Policy
Include Coverage for Loss of Clients' Property Resulting from Employee Dishonesty	SE 00 48 04 12	General Endorsement - Crime Protection Policy
Insuring Agreement 1 as Excess Insurance	SE 00 49 03 00	General Endorsement - Crime Protection Policy
Exclude Loss of Clients' Property	SE 00 50 04 12	General Endorsement - Crime Protection Policy
Exclude Designated Premises, Messengers or Armored Motor Vehicle Companies	SE 00 51 03 00	General Endorsement - Crime Protection Policy
Exclude Specified Property	SE 00 52 03 00	General Endorsement - Crime Protection Policy
Exclude Loss of Clients' Property Except While on Your Premises	SE 00 53 04 12	General Endorsement - Crime Protection Policy
Protective Devices or Services Provision	SE 00 57 03 00	General Endorsement - Crime Protection Policy
Require Record of Checks	SE 00 58 03 00	General Endorsement - Crime Protection Policy
Forcible Entry into Premises Requirement	SE 00 59 03 00	General Endorsement - Crime Protection Policy
Exclude Certain Risks Inherent in Insurance Operations	SE 00 60 03 00	General Endorsement - Crime Protection Policy
Limit Amount of Insurance for Trading Losses	SE 00 61 03 00	General Endorsement - Crime Protection Policy
Insured at Military Center	SE 00 62 03 00	General Endorsement - Crime Protection Policy
Include Designated Agents as Employees Covered for Employee Dishonesty Only	SE 00 63 03 00	General Endorsement - Crime Protection Policy

Include Partners as Employees	SE 00 64 03 00	General Endorsement - Crime Protection Policy
Limit Deductible to Specified Positions	SE 00 65 03 00	General Endorsement - Crime Protection Policy
Occurrence Endorsement	SE 01 45 02 06	General Endorsement - Crime Protection Policy
Include Indemnity of Bonded Employees	SE 01 50 04 12	General Endorsement - Crime Protection Policy
Payment of Employee Dishonesty Loss on a Per Employee Basis	SE 01 51 04 12	General Endorsement - Crime Protection Policy
To Require Notice of Cancellation	SE 01 52 04 12	General Endorsement - Crime Protection Policy
To Add Faithful Performance of Duty	SE 01 53 04 12	General Endorsement - Crime Protection Policy
Payment of Employee Dishonesty Loss on a Per Employee Basis	SE 01 54 04 12	General Endorsement - Crime Protection Policy
Add Schedule Excess Limit of Insurance For Specified Employees or Positions For Insuring Agreement 1 Only	SE 01 55 04 12	General Endorsement - Crime Protection Policy
School System	SE 01 56 04 12	General Endorsement - Crime Protection Policy
Obligee	SE 01 57 04 12	General Endorsement - Crime Protection Policy
Include Designated Agents As Employees Covered For Employee Dishonesty Only	SE 01 58 04 12	General Endorsement - Crime Protection Policy
Amend Confidential Information And Data Breach Costs Exclusions	SE 01 61 07 13	General Endorsement - Crime Protection Policy
Convert Insuring Agreement 1 To Schedule Coverage	SE 01 62 04 12	General Endorsement - Crime Protection Policy
Schedule Change Insuring Agreement 1 (Schedule) (Loss Sustained Form)	SE 01 63 04 12	General Endorsement - Crime Protection Policy
Schedule Change Insuring Agreement 1 (Schedule) (Discovery Form)	SE 01 64 04 12	General Endorsement - Crime Protection Policy
Add Faithful Performance of Duty To Insuring Agreement 1 (Schedule)	SE 01 65 04 12	General Endorsement - Crime Protection Policy

Company Specific Forms List

NGM Coverage Endorsements				
Form Number	Department filing #	Type	Form Title	Purpose
68-DC-5366 (10/2015) replaces 68-DC-5366 (7/2010)	08-123-10	BND	Third Party Fidelity bond	Provides coverage for loss of clients property without underlying fidelity

NGM INSURANCE COMPANY

BOND NO.

THIRD PARTY FIDELITY BOND

In return for the payment of the agreed premium, and subject to all the terms of this bond, NGM INSURANCE COMPANY (Hereinafter called Company) agrees to provide the coverage as described in this bond.

NAMED INSURED: _____

MAILING ADDRESS: _____

COVERAGE LIMIT: \$ _____ **DEDUCTIBLE:** Greater of 1% of Coverage Limit or \$100.

BOND PERIOD Beginning _____
(12:01 AM Standard Time at your mailing address shown above)

A. COVERAGE

The Company agrees to pay to the Insured the amount of any loss of "Money" or "Other Property" that any "Client" of the Insured shall sustain through the act or acts of larceny or embezzlement committed by the Insured or any "Employee" while performing service for the "Client" at the "Client's" premises up to the Coverage Limit.

In the event that a "Client" shall sustain a loss of "Money" or "Other Property" committed by an "Owner" the Company agrees to pay the amount of the loss to the "Client" in place of the Insured, provided that the "Client" has complied with and satisfied all obligations and duties required of the "Insured" by this bond, and conditioned that any claim subject to this coverage exception must be submitted by the "Client" directly to the Company.

Coverage is subject to all terms, conditions and exceptions described in this bond or any amendments to this bond

State amendment(s) required for this coverage are _____.

*****This coverage is for the benefit of the named Insured only and does not provide any direct benefits or cause of action to any third party/parties.*****

B. DEFINITIONS

1. "Employee" means

Any natural person while in the Insured's service and whom the Insured compensates directly by salary, wages or commissions; AND whom the Insured has the right to direct and control while performing services for the Insured; or b. Any natural person employed by an employment contractor while the person is subject to the Insured's direction and control and is performing services for the Insured. or

c. Any "Owner" while performing services for the Insured.

Employee does not mean any

i. Agent, broker, independent contractor or representative of the same general character; OR

ii. Director or trustee except while performing acts coming within the scope of the usual duties of an "Employee".

2. "Money" means currency, coins and bank notes in current use and having a face value.

3. "Other property" means tangible property, other than "Money" that has an intrinsic value.

4. "Occurrence" means all loss caused by, or involving one or more "Employees", whether the result of a single act or series of acts.

5. "Client" means any person or firm with whom you are under a paid written contract to perform business services on that client's premises

6. "Money Messenger" is defined as any "Employee" who is authorized or permitted to accept and does accept "Money" or "Other Property" from any "Client" for any reason, whenever the "Money" or "Other Property" belongs to or is held by any "Client" and are not owned by or owed to the Insured.

7. "Owner" means any natural person that owns all or part of the Insured.

C. LIMITATION OF THIRD PARTY COVERAGE

NOTWITHSTANDING ANYTHING IN THIS BOND TO THE CONTRARY, the Company shall not be liable for any loss sustained by any "Client", other than a loss caused by the act or acts of larceny or embezzlement as defined by the conduct punishable under the criminal laws of the State within which the act or acts occurred, whether or not the Insured is or may be held legally liable for such loss.

~~**D. DEDUCTIBLE**~~

~~Company will not pay for loss in any one "Occurrence" unless the amount of loss exceeds the deductible amount shown above. Company will then pay the amount of the loss in excess of the Deductible Amount up to the Coverage Limit.~~

E. GENERAL CONDITIONS

1. Consolidation - Merger: If through consolidation, purchase of assets or merger with some other entity; any additional persons become "Employees", this coverage shall apply as long as written notice is provided by the Insured to the Company within Thirty (30) days and an additional premium is paid on a pro rata basis.

2. Coverage Extensions: Unless stated otherwise, Company's liability under any coverage extension is part of, not in addition to, the Coverage Limit.

3. Conditions Precedent to Recovery: The coverage shall not apply unless the following conditions are met:

a. The act causing the loss must be discovered and reported to the Company within Ninety (90) days from the date of commission thereof; AND

b. The Insured must submit to examination under oath at our request and provide a signed statement of their answers including a detailed, sworn proof of loss within One Hundred Twenty (120) days AND

c. Application must be made for a warrant for the arrest of the "Employee" for the acts of larceny or embezzlement committed by that "Employee", which is the basis for any claim hereunder, and all parties must give all the aid and information in their power to bring the said "Employee" to justice.

NGM INSURANCE COMPANY

BOND NO.

THIRD PARTY FIDELITY BOND

4. **Legal Action Against Company:** Insured may not bring any legal action against the Company involving loss:
 - a. Unless Insured has complied with all the terms of this policy; AND
 - b. Until Ninety (90) days after Insured has filed a detailed, sworn proof of loss with Company; AND
 - c. Unless brought within TWO (2) years from the date the loss is discovered.
5. **Loss Covered Under This Insurance and Prior Insurance Issued by Company or Any Affiliate:** If any loss is covered
 - a. Partly by this bond; AND
 - b. Partly by any prior cancelled or terminated bond that Company or any affiliate had issued to Insured or any predecessor in interest and in which the period for discovery has not expired as provided for under these insurances; the most Company will pay is the larger of the amount recoverable under this bond or the prior bond.
6. **Non-Accumulation of Coverage Limit:** Regardless of the number of years this bond remains in force or the number of premiums paid, the Coverage Limit shall not be cumulative from year to year or period to period.
7. **Other Insurance:** This Insurance does not apply to loss recoverable or recovered under other insurance or indemnity. However, if the limit of the other insurance or indemnity is insufficient to cover the entire amount of the loss, this insurance will apply to that part of the loss, other than that falling within any Deductible amount, not recoverable or recovered under the other insurance or indemnity. However, this insurance will not apply to the amount of the loss that is more than or outside the scope of the Coverage Limit as described above.
8. **Limit of Insurance:** The most we will pay for loss in any one "Occurrence" is the Coverage Limit as shown above.
9. **Transfer of Client's Rights of Recovery Against Others to Company:** Insured must facilitate the transfer to Company all "Client's" rights of recovery against any person or organization for any loss "Client" sustained and for which Company has paid or settled. Insured must also do everything necessary to secure those rights and do nothing after loss to impair them.
10. **Cancellation As To Any "Employee":** This Insurance is cancelled as to any "Employee":
 - a. Immediately upon discovery by the Insured or its partners, officers or directors not in collusion with the "Employee" of any dishonest act committed by that "Employee" whether before or after becoming employed by the Insured, OR
 - b. On the date specified in a notice mailed or delivered by the Company to the Insured at the last mailing address known to the Company allowing at least Thirty (30) days after the date of mailing. The mailing of notice to the Insured will be sufficient proof of notice.
11. **Cancellation As To Entire Bond:**
 - a. The Insured may cancel by mailing or delivering written notice to the Company.
 - b. The Company may cancel by mailing or delivering to the Insured written cancellation at least Ten (10) days before the effective date if canceled for non payment of premium; OR Thirty (30) days before the effective date if canceled for another reason. The insurance will expire on the date specified. Proof of mailing shall be sufficient proof of notice.

F. EXCLUSIONS

1. **Company will not pay for the loss caused by:**
 - a. **Governmental Action:** Loss resulting from seizure or destruction of property by order of governmental authority.
 - b. **Indirect Loss:** Loss that is an indirect result of any act or "Occurrence" covered by this insurance including, but not limited to, loss resulting from:
 - i. "Client's" and/or Insured's inability to realize income that would have been realized had there been no loss of "Money" or "Other Property".
 - ii. Payment of damages of any type for which Insured is legally liable.
 - iii. Payment of costs, fees or other expenses "Client" and/or Insured incurs in establishing either the existence or the amount of loss under this insurance.
 - c. **Legal Expenses:** Expenses related to any legal action.
2. **Employee Canceled Under Prior Insurance:** Loss caused by any "Employee" of Insured, or predecessor in interest of Insured, for whom similar prior insurance has been cancelled and not reinstated since the last such cancellation.
3. **Inventory Shortages:** Loss or that part of any loss, the proof of which as to its existence or amount is dependent upon:
 - a. An inventory computation; or
 - b. A profit and loss computation.
4. **"Money Messengers":** Coverage shall not apply to, nor shall the Company be liable for, any loss of "Money" or "Other Property" which any "Client" shall sustain through any fraudulent or dishonest act or acts committed by any "Employee", acting alone or in collusion with others, while that "Employee" is acting as a "Money Messenger".

- G. **Cancellation of Prior Insurance:** By acceptance of this bond Insured gives Company notice canceling prior bond number(s); the cancellation to be effective at the time this policy becomes effective.

Countersigned By: _____
Print Name: _____
Date: _____



NGM Insurance Company

By: *Brian Beggs*
Vice President



THE MAIN STREET AMERICA GROUP

NGM Insurance Company • Old Dominion Insurance Company
Main Street America Assurance Company • MSA Insurance Company
Great Lakes Casualty Insurance Company
Grain Dealers Mutual Insurance Company
Spring Valley Mutual Insurance Company
Main Street America Protection Insurance Company



September 1, 2015

Chester A McPherson
Acting Commissioner
Government of the District of Columbia
Dept. of Insurance, Securities and Banking
810 First Street, N.E. Suite 701
Washington, D.C. 20002

Re: NGM Insurance Company - Fidelity Bonds-Form Filing
NGM NAIC No. 311-14788
Company Tracking Number: DC NGM Fidelity Form 12-1-15

NGM Insurance Company (NGM) proposes to adopt the SFAA Crime Protection Policy for Governmental Entities in addition to our previous adoption of SFFA Crime Protection Policy (which did not include governmental entities). We are taking this action countrywide to create a consistent filing throughout the states in which we currently do business and because the SFAA no longer supports the Commercial Crime Policy.

The overall rate level impact is 0.0%. Rates for the Crime Protection Policy remain the same for similar coverage provided previously under the Commercial Crime Policy.

NGM also proposes to adopt all Crime Protection Policy forms filed by the SFAA for use in District of Columbia through filing numbers SFAA-F-285 effective 4/1/12, SFAA-F-293 effective 7/31/13, and SFAA-F-294 effective 1/1/14. NGM is a member of SFAA and the majority of forms portfolio consists of SFAA forms.

In addition, we are filing revised form 68-DC-5366 (10/2015) to replace form 68-DC-5366 (07/2010) that provides similar coverage but removes the mandatory deductible and clarifies bond terms for certain contain conditions. A copy of form 68-DC-5366 (10/2015) is attached in the form schedule.

Please see the companion Rate and Rule filing under SERFF Tracking Number: NGMC-130227873.

Attached in the supporting documentation tab is a form explanatory memorandum and exhibits which explain the filing in more detail.

This filing applies to all New Business policies effective on and after December 1, 2015 and to all Renewal policies on and after April 1, 2016.

If you have any questions regarding this filing, please contact me at 800-207-0446, ext. 07407 or via e mail at carterh@msagroup.com.

Sincerely,

Hollie Carter, State Filings Manager, Law Department

By: April Edwards
State Filing Specialist

Home Office

4601 Touchton Road East, Suite 3400, Jacksonville, FL 32246-4486 • (800) 207-0446